



Helendale Community Services District

BOARD OF DIRECTORS MEETING
December 19, 2019 at 6:30 PM
26540 Vista Road, Suite C, Helendale, CA 92342

Call to Order - Pledge of Allegiance

1. Approval of Agenda

2. Public Participation - *Anyone wishing to address any matter pertaining to District business listed on the agenda or not, may do so at this time. However, the Board of Directors may not take action on items that are not on the agenda. The public comment period may be limited to three (3) minutes per person. Any member may speak on any agenda item at the time the agenda item is discussed by the Board of Directors.*

3. Consent Items

- a. Approval of Minutes: December 5, 2019, Regular Board Meeting
- b. Bills Paid and Presented for Approval
- c. November Financials

4. Reports

- a. Directors' Reports
- b. General Manager's Report

Special Presentation

- 5. Special Presentation from New County Fire Chief Munsey

Regular Business:

- 6. Discussion and Possible Action Regarding Exercise of Two-Year Option for Auditing Services from Fedak and Brown
- 7. Discussion and Possible Action Regarding Increase in Contract Professional Services Provided by Platinum Consulting
- 8. Discussion and Possible Action Regarding Hosting a Dinner Meeting for the Association of San Bernardino County Special Districts (ASBCSD) in 2020
- 9. Discussion and Possible Action Regarding Annual Election of Officers for the Board of Directors

Other Business

- 10. Requested items for next or future agendas (Directors and Staff only)
- 11. Adjournment

Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in the above agendized public meeting should be directed to the District's General Manager's office at (760) 951-0006 at least 24 hours prior to said meeting. The regular session of the Board meeting will be recorded. Recordings of the Board meetings are kept for the Clerk of the Board's convenience. These recordings are not the official minutes of the Board meetings.

Providing:

- Water
- Wastewater
- Park & Recreation
- Solid Waste Management
- Street lighting
- Graffiti Abatement

OFFICE HOURS:

Monday – Friday
8:00 – 5:30 p.m.

PHONE:

760-951-0006

FAX:

760-951-0046

ADDRESS:

26540 Vista Road
Suite B
Helendale, CA
92342

MAILING

ADDRESS:

PO BOX 359
Helendale, CA
92342

Visit us on the Web
at:

www.helendalecsd.org





Helendale Community Services District

Date: December 19, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop / Cheryl Vermette / Cindy Byerrum, CPA
SUBJECT: Agenda item #3
Consent Items

CONSENT ITEMS

- a. Approval of Minutes: December 5, 2019 Regular Board Meeting
- b. Bills Paid and Presented for Approval
- c. Financial Report as of November 30, 2019



*Minutes of the Helendale Community Services District
BOARD OF DIRECTORS MEETING
December 5, 2019 at 6:30 PM
26540 Vista Road, Suite C. Helendale, CA 92342*

Board Members Present:

Tim Smith - Vice President; Sandy Haas, Secretary; Craig Schneider – Director; Henry Spiller – Director

Board Members Not Present:

Ron Clark – President

Staff Members Present:

Kimberly Cox, General Manager
Cheryl Vermette, Program Coordinator
Craig Carlson, Water Operations Manager

Consultants:

Steve Kennedy, Legal Counsel

Members of the Public:

There were nine (9) members of the public present.

Call to Order and Pledge of Allegiance

The meeting was called to order at 6:30 by Vice-President Tim Smith, after which the Pledge of Allegiance was recited.

1. Approval of Agenda

Discussion: General Manager Cox requested to add item 8A: Discussion and Possible Action Regarding Emergency Replacement of Well 1A Pump/Motor Assembly and Cleaning of Well. This item arose after the posting of the agenda and is a time sensitive matter.

Action: A motion was made by Director Schneider to approve the agenda as amended. The motion was seconded by Director Haas.

Vote: Motion carried by the following vote: 4 Yes – 0 No – 1 Absent

2. Public Participation

Sam Palmer presented his Eagle Scout Project to the Board. Mr. Palmer and a group of volunteers constructed two horseshoe pits at the Helendale Community Park.

Kaleb Child presented his Eagle Scout Project to the Board. Mr. Child and a group of volunteers constructed two tetherball courts at the Helendale Community Park.

Captain Kenny Allen and Firefighter/Paramedic Brian Wright from San Bernardino County Fire Station 4 announced they are doing a Christmas Toy Drive for the community. Mr. Allen also announced that Dan Munsey is the new San Bernardino County Fire Chief. Mr. Allen also commented that there are some new staff members at the station and modifications are being made to the dorms and the bathrooms are being remodeled. He also noted that Station 4 has the newest fire engine in San Bernardino County and that burn permits are now back on.

3. Consent Items

- a. Approval of Minutes: November 21, 2019 Regular Board Meeting
- b. Bills Paid and Presented for Approval
- c. Financial Statement as of October 31, 2019

Action: A motion was made by Director Haas to approve the consent items as presented. The motion was seconded by Director Spiller.

Vote: Motion carried by the following vote: 4 Yes – 0 No – 1 Absent

4. Reports

- a. Directors' Reports

None

- b. General Manager's Report

GM Cox announced San Bernardino County has a new Fire Chief – Dan Munsey. Cox also updated the Board on the gas station project on Vista Rd. She also reported that the PERS Payroll auditor completed his field work. All pay rates and pay schedules are in accordance with PERS requirements. The auditors commended the District on following the Pers guidelines in how pay schedules are adopted. They were very pleased with our records, policies and procedures. They will send a written report.

Water Operations Manager Carlson presented the water report. He reported that staff completed monthly well site inspections and have also been vactoring out meter boxes to prep for meter replacements. Staff also changed the oil and greased the bearing on well #4A motor. San Bernardino county fire performed inspection at water ops shop, and there were no violations. Staff also completed the monthly coliform report for November. The phone adapter for the SCADA alarm was also replaced.

Regular Business

- 5. Discussion and Possible Action Regarding Hosting a Dinner Meeting for the Association of San Bernardino County Special Districts (ASBCSD) in 2020

Discussion: The Association of San Bernardino County Special Districts is a membership shared by most of the county's Special Districts which provides networking and learning/sharing opportunities for its members. Meetings are held monthly. Different District's host the monthly meetings. Next year, there are three meetings available to host a meeting – June, July and August. Staff requested for the Board to provide direction on whether they wanted to host a meeting; when would the Board like to host; where would the Board like the meeting to be held and what topic should be discussed.

Action: There was no action on this item. The consensus of the Board was to hold a meeting in June. The Board requested a location close to the freeway and suggested looking into the Holiday Inn. The Board did not have a particular topic they wished to discuss; however, they would be interested in a speaker such as Fire Chief, Dan Munsey or Assemblyman, Jay Obernolte.

- 6. Discussion and Possible Action Regarding Location of Water Shop

Discussion: In June, the Board discussed the park conceptual picture used for placement of amenities included in grant request. During those discussions, relocating proposed water shop was mentioned.

The Board decided not to discuss further until architect's rendering of park was completed. The rendering shows a better spatial relationship, size and proportionality. Staff received drawing on 11/25. Staff was seeking input from the Board regarding the architect's rendering, which includes all the elements listed in grant application, provides the next iteration of the vision for the park, and includes priority elements from numerous scoping meeting. The drawing does not represent any changes to the Corp yard. With the Board's concurrence on the Water Shop location next steps include securing engineering/architecture firm to complete site plans for water & wastewater buildings and having a firm complete the RFP for construction of buildings. Staff will have to work with County Building and Safety for approval. The Board did not request any changes to the drawing or any changes to the corp yard.

Action: A motion was made by Director Schneider to accept the drawing including location of the Corp yard and building and secure an engineer to complete site work. The motion was seconded by Director Haas.

Vote: The motion was approved by the following roll call vote: 4 – Yes; 0 – No; 1 – Absent
Director Schneider: Yes; Director Haas: Yes; President Clark: Absent; Vice President Smith: Yes; Director Spiller: Yes

7. Discussion and Possible Action Regarding Review of Resolution 2018-05: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for its Relations Among Directors and With Staff

Discussion: This resolution requires annual review, and outlines Board relations among Directors and Staff. Staff and Counsel have no recommended changes; however, the Board may modify the resolution if desired. Counsel provided a review of the resolution. Legal Counsel requested the references to the resolution number on pages one and two be corrected. There were no material changes requested.

Action: No action was necessary on this item.

8. Discussion and Possible Action Regarding Annual Election of Officers for the Board of Directors

Discussion: The Board requested this item be tabled until President Clark was present.

- 8a. Discussion and Possible Action Regarding Emergency Replacement of Well 1A Pump/Motor Assembly and Cleaning of Well (Item was added after the posting of the agenda)

Discussion: In early November, Staff noticed issues with Well 1A. Layne pulled the pump assembly and TV'd the well. They found significant growth. Layne took the pump to their shop to diagnose the issue. Staff was informed today that there are significant issues and replacement is necessary. The well needs to be brushed and bailed to clean the casing and perforations that are occluded. Eight feet of sludge has built up on the bottom of well. The motor thrust bearing went bad and lost the impeller lateral causing the impellers to run on bottom of the bowl ring pockets. Between 7 and 9 pieces of column pipe need to be replaced and the check-valve must be replaced. The cable appears to be in good condition, but staff recommends replacing that as well, so all parts are new (\$5,000). The cost of repairs, including cleaning is \$60,303.24. Layne will be able to mobilize on 12/11 to begin cleaning well casing.

Action: A motion was made by Director Spiller to approve a contract with Layne for emergency repairs and cleaning of Well 1A in an amount not to exceed \$60,303.24, the motion was amended to include a 10% contingency. Director Schneider seconded the motion.

Vote: The motion was approved by the following roll call vote: 4 – Yes; 0 – No; 1 – Absent

Director Schneider: Yes; Director Haas: Yes; President Clark: Absent; Vice President Smith: Yes;
Director Spiller: Yes

Other Business

9. Requested items for next or future agendas (Directors and Staff only)
No items

Vice-President Smith called for a brief recess at 7:33 pm. Closed Session began at 7:40 pm.

Closed Session

10. Conference with Legal Counsel – Anticipated Litigation
Initiation of Litigation
Pursuant to Government Code Section 54956.9(D)(4)
One Potential Case

11. Announcement from Closed Session Actions
Vice-President Smith called to order the Open Session of the Board meeting at 7:55 pm and Legal Counsel announced there was no reportable action resulting from closed session items.

12. Adjournment

Action: Vice-President Smith adjourned the meeting at 7:55 pm

Submitted by:

Approved By:

Tim Smith, Vice-President

Sandy Haas, Secretary

The Board actions represent decisions of the Helendale Community Services District Board of Directors. A digital voice recording and copy of the PowerPoint presentation are available upon request at the Helendale CSD office.



Helendale Community Services District

Date: December 19, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Sharon Kreinop, Senior Account Specialist
SUBJECT: Agenda item # 3 b.
Consent Item: Bills Paid and Presented for Approval

STAFF RECOMMENDATION:

Report Only. Receive and File

STAFF REPORT:

Staff issued 51 checks and 16 EFT's totaling \$269,923.24

Total cash available:	<u>12/16/19</u>	<u>12/02/19</u>
Cash	\$ 5,113,910.01	\$ 5,089,974.84
Checks/EFT's Issued	\$ 269,923.24	\$ 54,272.18

Investment Report

The Investment Report shows the status of invested District funds. The current interest rate is 1.89% for CalTRUST Short-Term and 1.73% for Medium-Term Investments, 2.25% for LAIF, and 0.25% for the CBB Sweep Account for Nov 2019. Interest earned in Nov 2019 on the CalTRUST investments and the CBB Sweep Account is \$5,699.50



Helendale CSD

Bills Paid and Presented for Approval

Transaction Detail

Issued Date Range: 12/02/2019 - 12/16/2019

Cleared Date Range: -

Issued Date	Number	Description	Amount	Type	Module
Bank Account: 251229590 - CBB Checking					
12/02/2019	22576	California State Disbursement Unit	-230.76	Check	Accounts Payable
12/02/2019	EFT0003010	To record Global Fees - 4367	-986.16	EFT	General Ledger
12/02/2019	EFT0003011	To record CalPERS Health Premium Paid	-14,165.04	EFT	General Ledger
12/02/2019	EFT0003012	To record CalPERS Pmt Classic - PP 11/11/19-11/24/19	-5,909.92	EFT	General Ledger
12/02/2019	EFT0003013	To record CalPERS Pmt PEPRA- PP 11/11/19-11/24/19	-1,429.40	EFT	General Ledger
12/02/2019	EFT0003015	To record CalPERS Pmt 457 Contribution- 11/11/19-	-600.00	EFT	General Ledger
12/02/2019	EFT0003016	To record Global Fees - 4366	-521.51	EFT	General Ledger
12/03/2019	22577	Southern California Edison	-1,354.62	Check	Accounts Payable
12/03/2019	22578	ABC Liovin Drilling	-46,195.00	Check	Accounts Payable
12/03/2019	EFT0003017	To record EVO Rec Desk CC Fees 22567	-83.72	EFT	General Ledger
12/03/2019	EFT0003018	To record EVO Thrift Store CC Fees 23099	-367.81	EFT	General Ledger
12/03/2019	EFT0003022	to record IRS Payroll Taxes PP 11/11/19 -11/24/19	-7,435.20	EFT	General Ledger
12/03/2019	EFT0003023	to record State Payroll Taxes PP 11/11/19 -11/24/19	-2,157.24	EFT	General Ledger
12/04/2019	EFT0003025	To record CalPERS Pmt 457 Contribution PP 11/11/19 -	-600.00	EFT	General Ledger
12/05/2019	22579	Cheryl Vermette	-220.68	Check	Accounts Payable
12/05/2019	22580	County of San Bernardino	-8.00	Check	Accounts Payable
12/05/2019	22581	County of San Bernardino, Solid Waste Mgmt. Div.	-479.76	Check	Accounts Payable
12/05/2019	22582	David W. Cupp, Sr.	-420.00	Check	Accounts Payable
12/05/2019	22583	Desert Community Bank	-222.14	Check	Accounts Payable
12/05/2019	22584	DOI/BLM	-1,260.00	Check	Accounts Payable
12/05/2019	22585	DOS COSTAS COMMUNICATIONS	-400.00	Check	Accounts Payable
12/05/2019	22586	Frontier Communications	-87.84	Check	Accounts Payable
12/05/2019	22587	G.A. Osborne Pipe & Supply Inc.	-134.22	Check	Accounts Payable
12/05/2019	22588	Geo-Monitor, Inc.	-172.00	Check	Accounts Payable
12/05/2019	22589	Grainger, Inc	-218.02	Check	Accounts Payable
12/05/2019	22590	Henry Spiller	-955.50	Check	Accounts Payable
12/05/2019	22591	High Tech Signs & Graphx	-2,137.16	Check	Accounts Payable
12/05/2019	22592	J & S Specialties	-1,280.00	Check	Accounts Payable
12/05/2019	22593	James MW Radford	-125.00	Check	Accounts Payable
12/05/2019	22594	Julio Esquivel	-250.00	Check	Accounts Payable
12/05/2019	22595	Kenco Label & Tag Co., LLC	-73.16	Check	Accounts Payable
12/05/2019	22596	Kimberly Cox	-999.04	Check	Accounts Payable
12/05/2019	22597	Mobile Occupational Services, Inc.	-270.00	Check	Accounts Payable
12/05/2019	22598	Official Payments Corp	-58.80	Check	Accounts Payable
12/05/2019	22599	Parkhouse Tire, Inc.	-306.67	Check	Accounts Payable
12/05/2019	22600	Print Mart	-114.10	Check	Accounts Payable
12/05/2019	22601	Quinn Company	-280.12	Check	Accounts Payable
12/05/2019	22602	Rebecca Gonzalez	-330.00	Check	Accounts Payable
12/05/2019	22603	Shred-it USA LLC	-80.55	Check	Accounts Payable
12/05/2019	22604	Silver Lakes Helendale Emergency Preparedness & Resource	-500.00	Check	Accounts Payable
12/05/2019	22605	The Woodall Group, Inc	-60.00	Check	Accounts Payable
12/05/2019	22606	Tunnel Vision Pipeline Cleaning	-1,350.00	Check	Accounts Payable
12/05/2019	22607	Tyler Technologies, Inc.	-412.63	Check	Accounts Payable
12/05/2019	22608	USA of So. California	-52.90	Check	Accounts Payable
12/05/2019	22609	Southern California Edison	-142.98	Check	Accounts Payable
12/05/2019	22610	Southern California Edison	-234.18	Check	Accounts Payable
12/05/2019	22611	Southern California Edison	-180.40	Check	Accounts Payable
12/05/2019	22612	Southwest Gas Company	-466.13	Check	Accounts Payable
12/05/2019	22613	Fedak & Brown LLP	-2,205.00	Check	Accounts Payable
12/06/2019	EFT0003026	To record payroll fee payment	-121.33	EFT	General Ledger
12/09/2019	22614	Burrtec Waste Industries Inc	-1,453.87	Check	Accounts Payable
12/09/2019	22615	Burrtec Waste Industries Inc	-120.49	Check	Accounts Payable

Bank Transaction Report

Issued Date Range: -

Issued Date	Number	Description	Amount	Type	Module
12/09/2019	22616	Burrtec Waste Industries, Inc.	-10,111.84	Check	Accounts Payable
12/09/2019	22617	City National Bank	-105,041.47	Check	Accounts Payable
12/09/2019	22618	Stantec Consulting Services Inc	-1,950.00	Check	Accounts Payable
12/09/2019	22619	Tunnel Vision Pipeline Cleaning	-5,175.00	Check	Accounts Payable
12/09/2019	22620	UIA Ultimate Internet Access, Inc	-148.70	Check	Accounts Payable
12/10/2019	22621	Sonic Systems, Inc	-1,524.40	Check	Accounts Payable
12/13/2019	10020	Goforth, Billy L	-882.25	Check	Payroll
12/13/2019	10021	Allen, Michael	-400.11	Check	Payroll
12/13/2019	10022	Parz, Kathleen J	-205.26	Check	Payroll
12/13/2019	10023	Perez, Devin L	-1,112.05	Check	Payroll
12/13/2019	DFT0000142	Payroll EFT	-33,720.23	EFT	Payroll
12/15/2019	10019	Moore, Natasha A	-76.71	Check	Payroll
12/16/2019	EFT0003019	To record Tasc Flex Claim Pmt	-559.57	EFT	General Ledger
12/16/2019	EFT0003027	to record IRS Payroll Taxes PP 11/25/19 -12/8/19	-6,744.66	EFT	General Ledger
12/16/2019	EFT0003029	to record State Payroll Taxes PP 11/25/19 -12/8/19	-2,051.94	EFT	General Ledger
Bank Account 251229590 Total: (67)			-269,923.24		
Report Total: (67)			-269,923.24		

Bank Transaction Report

Bank Account	Count	Amount
251229590 CBB Checking	67	-269,923.24
Report Total:	67	-269,923.24

Cash Account	Count	Amount
99 99-111000 Cash in CBB - Checking	67	-269,923.24
Report Total:	67	-269,923.24

Transaction Type	Count	Amount
Check	51	-192,469.51
EFT	16	-77,453.73
Report Total:	67	-269,923.24



Helendale Community Services District

Date: December 19, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
BY: Cindy Byerrum, CPA
SUBJECT: Agenda item # 3 c
Consent Item: Financial Report as of November 30, 2019

STAFF RECOMMENDATION:

Receive and File.

Helendale CSD
Statement of Revenues and Expenses - Water
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Meter Charges	\$ 126,567	\$ 621,708	\$ 1,495,518	42%	\$ 566,142
3 Water Sales	73,773	466,754	866,897	54%	476,933
4 Standby Charges	10,112	10,283	24,410	42%	4,851
5 Other Operating Revenue	8,982	46,900	88,100	53%	48,487
6 Total Operating Revenues	219,434	1,145,645	2,474,924	46%	1,096,413
7 Non-Operating Revenues					
8 Grant Revenue	-	403	75,000	1%	-
9 Miscellaneous Income (Expense)	-	-	3,000	0%	-
10 Total Non-Operating Revenues	-	403	78,000	1%	-
11 Total Revenues	219,434	1,146,048	2,552,924	45%	1,096,413
12 Expenses					
13 Salaries & Benefits					
14 Salaries	23,365	130,896	339,707	39%	130,392
15 Benefits	3,830	64,521	118,201	55%	65,540
16 Total Salaries & Benefits	27,195	195,417	457,908	43%	195,932
17 Transmission & Distribution					
18 Contractual Services	473	9,767	30,150	32%	7,832
19 Power	8,574	59,368	113,730	52%	60,377
20 Operations & Maintenance	2,129	32,112	143,824	22%	28,173
21 Rent/Lease Expense	2,060	5,260	10,860	48%	5,260
22 Permits & Fees	-	4,066	22,740	18%	4,340
23 Total T&D	13,235	110,573	321,304	34%	105,983
24 General & Administrative					
25 Utilities	463	2,127	5,124	42%	1,896
26 Office & Other Expenses	78	236	2,235	11%	3,162
27 Admin Allocation	40,959	204,796	491,511	42%	190,660
28 Total G&A	41,501	207,159	498,870	42%	195,717
29 Debt Service	-	81,271	388,734	21%	287,577
30 Total Expenses	81,930	594,420	1,666,815	36%	785,209
31 Net Income (Loss) Before Capital	137,503	551,628	886,109	62%	311,204
32 Capital Expenses	-	(250,568)	(2,230,667)	11%	231,958
33 Net Income (Loss) After Capital	\$ 137,503	\$ 301,060	\$ (1,344,558)		\$ 543,162

Helendale CSD
Financial Statement Analysis
For the Month Ended November 30, 2019 – 42% of Fiscal Year

Fund 01-Water Revenues and Expenses

Line 2 Meter Charges: Meter Charges are the fixed monthly charge for water service. Year to Date (YTD) Meter charges is trending on budget at 42%.

Line 3 Water Sales: Water Sales reflects water consumption and is trending at 54% of budget due to higher consumption in the summer months.

Line 4 Standby Charges: Standby Charges includes Special Assessment Standby charges for the current & prior years, and Delinquent Tax penalties. Year to Date (YTD) can trend over/under budget due to timing of assessment receipts.

Line 5 Other Operating Revenue: Other Operating Revenue includes Permit & Inspection Charges, Connection Fees, Meter Installation Fees, Other Fees/Charges & Mechanic Service Reimbursements. Connection & Meter Installation fees are not budgeted due to the unexpected nature of these fees, which can cause this account to trend over budget.

Line 8 Grant Revenue: YTD is at 1% due to timing of Grant Revenue receipts. A \$75K grant from the Bureau of Reclamation for installation of AMI smart meters is anticipated this fiscal year.

Line 9 Miscellaneous Income (Expense): Miscellaneous Income includes Gain/Loss on Sale of Assets, the Enel X Demand Response Program & Other Miscellaneous income. These accounts are not budgeted to be conservative.

Line 14 Salaries: Amounts for Water Department employees and share of Mechanic's payroll. YTD is a little under budget at 39%

Line 15 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is over budget due the timing of the annual worker's compensation bill paid in July.

Line 16 Total Salaries & Benefits: Salaries & Benefits include all salaries & benefits paid. YTD Total Salaries & Benefits is trending near target at 43%.

Line 18 Contractual Services: Contract Services includes Lab Testing, Engineering, GIS Support & Other Contract Services. YTD is trending at 32%.

Line 19 Power: This account includes electricity used for Transmission & Distribution. YTD is trending at 52% due to increased volume of water pumped in the summer months.

Line 20 Operations & Maintenance: This line includes Operations & Maintenance expense, Vehicle Maintenance & Vehicle Fuel. YTD is trending below target at 22% of budget.

Line 21 Rent/Lease Expense: Rent/Lease Expense includes Rental Costs for the Water Shop & BLM Tank Sites. YTD is trending over budget due to annual receipt of BLM Tank Site rent in November.

Line 22 Permits & Fees: Includes all water permits, miscellaneous fees, and Watermaster fees. YTD is below budget due to timing of Watermaster fees.

Line 25 Utilities (G&A): Utilities includes Gas & Telephone expenses. YTD is trending on budget at 42%.

Line 26 Office & Other Expenses: Office & Other includes Mileage/Travel Reimbursements, Office Supplies, Water Conservation Program, and Dues & Subscriptions. YTD will trend higher or lower than budget % due to timing of expenses.

Line 27 Administrative Allocation: This is the monthly distribution of the budgeted Fund 10 expenses, Admin Fund, to the enterprise funds.

Line 29 Debt Service: Debt Service includes Interest & Principal payments on outstanding debt. YTD is at 21% due to timing of payments.

Line 32 Capital Expenses: YTD balance in Capital expenses includes the following:

- \$250.5K Water Rights Purchase

Helendale CSD
Statement of Revenues and Expenses - Sewer
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Sewer Charges	\$ 106,561	\$ 532,875	\$ 1,279,029	42%	\$ 532,862
3 Standby Charges	9,244	10,247	21,350	48%	4,742
4 Other Fees & Charges	1,662	10,946	18,000	61%	13,816
5 Other Income/(Expense)	-	-	-	0%	7,407
6 Total Revenues	117,467	554,069	1,318,379	42%	558,827
7 Expenses					
8 Salaries & Benefits					
9 Salaries	18,989	94,011	246,229	38%	97,643
10 Benefits	4,550	60,501	98,728	61%	60,110
11 Total Salaries & Benefits	23,538	154,512	344,957	45%	157,753
12 Sewer Operations					
13 Contractual Services	-	15,724	77,082	20%	38,983
14 Power	5,060	35,173	68,955	51%	30,056
15 Operations & Maintenance	6,203	21,615	70,138	31%	15,032
16 Permits & Fees	18,767	22,851	26,000	88%	24,900
17 Total Sewer Operations	30,030	95,362	242,175	39%	108,971
18 General & Administrative					
19 Utilities	504	1,962	5,616	35%	1,705
20 Office & Other Expenses	401	1,792	11,393	16%	2,157
21 Admin Allocation	40,140	200,700	481,681	42%	186,847
22 Total G&A	41,045	204,454	498,690	41%	190,709
23 Debt Service	-	-	75,042	0%	50,030
24 Total Expenses	94,614	454,328	1,160,864	39%	507,463
25 Net Income (Loss) Before Capital	22,853	99,740	157,516	63%	51,364
26 Capital Expenses	-	(48,421)	(1,237,000)	4%	41,127
27 Net Income (Loss) After Capital	\$ 22,853	\$ 51,319	\$ (1,079,484)		\$ 10,237

Fund 02 - Sewer Revenues and Expenses

Line 2 Sewer Charges: YTD is trending on budget at 42%.

Line 3 Standby Charges: Standby Charges includes Special Assessment Standby charges for the current & prior years, and Delinquent Tax penalties. YTD can trend over/under budget due to timing of receipts.

Line 4 Other Fees & Charges: Other Fees & Charges includes Permit & Inspection Charges, Connection Fees, Other Fees/Charges & Delinquent Charges on Fees. Connection & Permit fees are not budgeted due to the unexpected nature of these fees. YTD is at 61% due to higher than expected delinquent fees penalties.

Line 5 Other Income/(Expense): Other Income includes Gain/Loss on Sale of Assets & Other Misc. Income.

Line 9 Salaries: Salaries for sewer employments, trending slightly under budget. Salaries for the mechanic are budgeted and accounted for in account 545000.

Line 10 Benefits: Benefits include employee insurance, PERS retirement, workers compensation, payroll taxes, and education and training. YTD is at 61% due to the annual worker's compensation expenses being paid in July.

Line 13 Contractual Services: Contract Services include Lab Testing, Engineering, GIS Support & Other Contractual Services. YTD is trending at 20% due to the timing of engineering fees.

Line 14 Power: YTD is trending above budget at 51% due to electricity ran at the park for the Recycled Water Project (\$3.7K).

Line 15 Operations & Maintenance: This account includes Compost Disposal, Vehicle Maintenance, Vehicle Fuel, Uniforms & Small Tools.

Line 16 Permits and Fees: This accounts for all annual permitting and fees paid to the state. YTD is at 88% of budget due to timing of annual payments.

Line 19 Utilities (G&A): Utilities includes Gas & Telephone expenses. YTD is trending under budget at 35%.

Line 20 Office & Other Expenses: Office & Other includes Mileage/Travel Reimbursements, Operating Supplies, Public Outreach, and Dues & Subscriptions. Will trend under or over budget depending upon time of year expenses are incurred.

Line 21 Administrative Allocation: This is the monthly distribution of the budgeted Fund 10 expenses, Admin Fund, to the enterprise funds.

Line 23 Debt Service: Debt Service includes Interest & Principal payments on outstanding debt. Payments are made twice a year in June & December.

Line 26 Capital Expenses: YTD balance in capital expense includes the following:

- \$2.8K Monitoring Wells
- \$45.6K Grit Removal System Replacement

Helendale CSD
Statement of Revenues and Expenses - Recycling Center
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Retail Sales	\$ 25,807	\$ 123,423	\$ 294,000	42%	\$ 135,474
3 Donations	-	-	-	0%	186
4 Board Discretionary Revenue	-	-	(74,940)	0%	-
5 Total Revenues	25,807	123,423	219,060	56%	135,660
6 Expenses					
7 Salaries & Benefits					
8 Salaries	11,379	51,171	152,959	33%	49,293
9 Benefits	1,724	11,716	21,103	56%	11,288
10 Total Salaries & Benefits	13,104	62,887	174,062	36%	60,582
11 Recycling Center Operations					
12 Contractual Services	-	-	5,300	0%	60
13 Operations & Maintenance	568	5,401	12,000	45%	4,537
14 Total Recycling Center Operations	568	5,401	17,300	31%	4,597
15 General & Administrative					
16 Utilities	129	4,586	19,098	24%	6,563
17 Office & Other Expenses	845	4,493	8,600	52%	1,675
18 Total G&A	974	9,080	27,698	33%	8,238
19 Total Expenses	14,646	77,368	219,060	35%	73,418
20 Net Income (Loss) Before Capital	\$ 11,162	\$ 46,054	\$ -		\$ 62,242
21 Capital Expenses	-	10,736	-	0%	-
22 Net Income (Loss) After Capital	\$ 11,162	\$ 35,318	\$ -	0%	\$ 62,242

03-Recycling Center Revenues and Expenses

Line 2 Retail Sales: YTD is trending on budget at 42%.

Line 3 Donations: Donations is not budgeted due to the unexpected nature of these revenues.

Line 4 Board Discretionary Revenue: This line shows the transfer of net cash from the Recycling Center to Parks & Rec. This transfer is done at year end so will be zero throughout the fiscal year until June 2020.

Line 8 Salaries: Salaries for part-time recycling center employees. YTD is trending below budget at 33%.

Line 9 Benefits: Benefits include employee insurance, workers compensation, payroll taxes, and education and training. YTD is at 56% due to the annual worker's compensation expenses being paid in July.

Line 10 Total Salaries & Benefits: Salaries & benefits include all salaries paid, health insurance, worker's compensation insurance, payroll taxes, and employee education and training. YTD is trending below budget at 36%.

Line 12 Contractual Services: Contract Services includes software support & other contract services. Will trend under or over budget depending upon time of year expenses are incurred.

Line 13 Operations & Maintenance: Operations & Maintenance includes vehicle maintenance, vehicle fuel, operating supplies & uniforms. YTD is trending near budget at 45%.

Line 16 Utilities (G&A): Utilities includes electric & telephone expenses. YTD is at 24% of budget due to lower than expected expenses.

Line 17 Office & Other Expenses: This line includes advertising, bank charges and other miscellaneous expenses. Office & other includes advertising, bank charges, & other misc. expenses. YTD is trending at 52% due to higher than anticipated bank charges.

Line 20 Net Income: Net income in the Recycling Center is moved to Fund 05 Parks & Recreation at year end through Board Discretionary Revenue.

Line 21 Capital Expenses: YTD balance consists of a \$10.7K purchase of a Dock Lift for Thrift Store Mattress Recycling.

Helendale CSD
Statement of Revenues and Expenses - Property Rental
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 <i>Operating Revenues</i>					
2 Property Rental Revenues	\$ 10,803	\$ 52,768	\$ 132,408	40%	\$ 53,559
3 Other Income	150	150	-	0%	50
4 Board Discretionary Revenue	-	-	(22,310)	0%	-
5 Total Revenues	10,953	52,918	110,098	48%	53,609
6 <i>Expenses</i>					
7 Contractual Services	-	200	10,000	2%	288
8 Utilities	113	2,203	6,216	35%	10,625
9 Operations & Maintenance	18	1,048	8,000	13%	2,895
10 Debt Service	-	-	85,882	0%	67,493
11 Total Expenses	131	3,451	110,098	3%	81,301
12 Net Income (Loss)	\$ 10,822	\$ 49,467	\$ -		\$ (27,692)

04-Property Rental Revenues and Expenses

Line 2 Property Rental Revenues: Property Rentals includes revenues from 15302 Smithson & 15425 Wild Road. YTD is trending near budget at 40%.

Line 3 Other Income: Other Income includes delinquent penalties & other misc. income. Due to the unexpected nature of these revenues, these accounts are not budgeted.

Line 4 Board Discretionary Revenue: This line shows the transfer of net cash from the Property Rental Fund to Parks & Rec. This entry will be done at year-end in June 2020.

Line 7 Contractual Services: Contract services includes contractor/handyman expense for installation of appliances, drywall repair, roofing or plumbing repairs. YTD is below budget due to timing of services needed.

Line 8 Utilities: Utilities includes Electric & Gas expense for the rental properties. YTD is trending under target at 35%.

Line 9 Operations & Maintenance: O&M includes maintenance & other costs relating to the rental properties. YTD is trending at 13% due to timing of expenses.

Line 10 Debt Service: Debt Service includes interest & principal payments on outstanding debt, paid in December and June.

Line 12 Net Income: Net income in the Property Rental fund is moved to Fund 05 through Board discretionary revenue at year end in June 2020.

Helendale CSD
Statement of Revenues and Expenses - Parks & Recreation
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Program Fees	\$ 1,472	\$ 14,450	\$ 26,700	54%	\$ 13,503
3 Property Taxes	1,471	7,366	16,600	44%	-
4 Donations & Sponsorships	714	7,193	14,440	50%	12,300
5 Rental Income	2,500	13,470	35,100	38%	-
6 Developer Impact Fees	-	1,720	-	0%	1,720
7 Grants	-	-	130,000	0%	-
8 Interfund Transfer Out/(In)	-	-	(42,100)	0%	(210,764)
9 Board Discretionary Revenue	33,838	96,464	420,668	23%	87,226
10 Total Revenues	39,995	140,662	601,408	23%	(96,015)
11 Expenses					
12 Salaries & Benefits					
13 Salaries	6,094	20,767	103,129	20%	16,954
14 Benefits	1,393	7,874	38,599	20%	5,879
15 Total Salaries & Benefits	7,487	28,641	141,727	20%	22,833
16 Program Expense	6,209	31,842	61,862	51%	22,308
17 Contractual Services	2,873	11,641	11,800	99%	2,815
18 Utilities	2,165	12,862	40,180	32%	7,603
19 Operations & Maintenance	1,958	13,575	21,440	63%	9,612
20 Permits & Fees	2,625	2,625	1,848	142%	1,097
21 Grant Expense	-	-	-	0%	-
22 Other Expenses	458	1,103	2,955	37%	865
23 Debt Service	-	9,698	40,679	24%	-
24 Total Expenses	23,775	111,987	322,492	35%	67,133
25 Net Income (Loss) Before Capital	16,220	28,675	278,917	10%	(163,148)
26 Capital Expenses	-	(32,140)	(225,000)	14%	(53,729)
27 Net Income (Loss) After Capital	\$ 16,220	\$ (3,465)	\$ 53,917		\$ (216,877)

05-Parks & Recreation Revenues and Expenses

Line 2 Program Fees: Program Fees include Recreation Program Fees, Basketball League Fees, Youth Soccer League Fees & Farmers Market Revenue. YTD is trending at 54% due to timing of soccer league fees.

Line 3 Property Taxes: Property taxes accounts for the transfer of property taxes for streetlight utility expenses. YTD is trending a slightly over budget at 44%

Line 4 Donations & Sponsorships: This account includes Concert in Park Sponsorships, Event Sponsorship and Other Donations/Sponsorships. YTD is at 50% due to timing of Sponsorship revenues.

Line 5 Rental Income: Rental Income Includes Rent/Lease income from the Water Shop, Storage for the Recycling Center, Unit C Room Rental, Unit D Church Rental, and Unit D Gymnastics. YTD is trending at 38%.

Line 6 Developer Impact Fees: Developer Impact Fees are not budgeted due to the unexpected nature of these revenues.

Line 7 Grant Revenue: YTD is at 0% due to timing of grant revenue receipts. The budget in grant revenue anticipates \$130K in grant revenues from the Land and Wildlife Conservation Fund.

Line 8 Interfund Transfer Out/(In): This line shows the transfer of cash balance from the Recycling Center & Property Rental to the Parks & Rec Fund. This entry will be done at year-end in June 2020 when it is known exactly how much net income is available to transfer.

Line 9 Board Discretionary: Board Discretionary Revenue in November includes the following:

- Radio Tower Site Rent – \$10,757
- Property Taxes - \$17,706
- Solid Waste Franchise Fees - \$6,848
- Transfer Property Tax Revenue for Street Light Utilities – \$(1,471)
-

Line 13 Salaries: Amounts for full & part-time Parks Department employees. YTD is under budget at 20%.

Line 14 Benefits: Benefits includes health insurance, CalPERS retirement, worker's compensation insurance, payroll taxes, and employee education and trainings. YTD is under budget at 20%.

Line 16 Program Expense: Program expense includes supplies/expenses for the Youth Soccer League, Park, Community Center, Farmers Market, & other programs. YTD is at 51% due to timing of concert in the park & soccer league expenses.

Line 18 Utilities: Utilities includes Gas, Electric for Park/Community Center, Telephone & Electricity for Street Lighting. YTD is trending at 41%.

Line 19 Operations & Maintenance: O&M includes Maintenance costs for the Park & Community Center, Vehicle Maintenance, Small Tools & Vehicle Fuel. YTD is trending above budget at 63% due to higher operations costs for the Community Center & a \$2.3K purchase of grass seed for the park in September.

Line 20 Permits & fees: This account includes Permit/Inspection Fees & San Bernardino County Fees. YTD is over budget due to higher annual fees than anticipated

Line 22 Other Expenses: Other expenses includes Uniforms, Printing Costs, Dues & Subscriptions & Bank Charges.

Line 23 Debt Service: Debt Service includes Interest & Principal payments on outstanding debt. YTD is at 24% due to timing of Debt Service payments. Debt Service payments are made quarterly in June, September, December & March.

Helendale CSD
Statement of Revenues and Expenses - Solid Waste Disposal
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Charges for Services	\$ 42,100	\$ 208,640	\$ 508,402	41%	\$ 198,256
3 Assessments & Fees	29,846	30,492	241,778	13%	32,866
4 Other Charges	1,286	6,299	9,800	64%	3,328
5 Board Discretionary Revenue	-	-	-	0%	8,446
6 Total Revenues	73,232	245,432	759,980	32%	242,896
7 Expenses					
8 Salaries & Benefits					
9 Salaries	5,612	27,742	73,320	38%	24,180
10 Benefits	1,371	15,450	33,713	46%	23,982
11 Total Salaries & Benefits	6,984	43,191	107,033	40%	48,162
12 Contractual Services	41,832	166,515	470,317	35%	158,841
13 Disposal Fees	12,045	56,000	138,072	41%	34,863
14 Operations & Maintenance	231	1,099	6,574	17%	825
15 Other Operating Expenses	111	200	4,372	5%	2,700
16 Admin Allocation	819	4,096	9,830	42%	3,813
17 Total Expenses	62,022	271,101	736,198	37%	249,205
18 Net Income (Loss)	\$ 11,210	\$ (25,669)	\$ 23,782		\$ (6,309)

Line 26 Capital Expenses: YTD balance in capital expenses includes the following:

- \$24.8K Additional Restroom Building/Snack Shop
- \$7.3K Parking Lighting

06-Solid Waste Disposal Revenues and Expenses

Line 2 Charges for Services – Solid Waste: This is the charge or regular pick up of solid waste. YTD is trending on budget at 41%.

Line 3 Assessment & Fees: This account includes Special Assessments for Refuse Land Use Fees for current & prior years. YTD is trending below budget due to timing of assessment receipts. The majority of these fees are collected in December & April.

Line 4 Other Charges: Other charges includes Delinquent Fees & Penalties & Penalties on Delinquent Taxes. YTD is at 64% of budget due to higher penalties on delinquent taxes than anticipated.

Line 5 Board Discretionary Revenue: This is the amount that would be transferred in from discretionary funds if this fund operates at a deficit for the fiscal year. There is no deficit planned for FY 19/20.

Line 9 Salaries: This is the salaries for Solid Waste workers. YTD is trending a little under budget.

Line 10 Benefits: Benefits include employee insurance, CalPERS retirement, workers compensation, payroll taxes, and education and training. YTD is at 46% due to the annual worker's compensation expenses being paid in July.

Line 12 Contractual Services: Contract Services include Burrtec Fees & Other Misc. Contract Services. YTD is at 35% due to timing of Burrtec Fees.

Line 13 Disposal Fees: Fees include SB County Disposal Fees & Green Waste Disposal Fees. YTD is trending near budget at 41%.

Line 14 Operations & Maintenance: O&M includes Vehicle Maintenance, Vehicle Fuel, Operating Supplies & Uniforms. YTD is trending under budget due to timing of maintenance.

Line 16 Other Operating Expenses: Other Operating Expenses include Rent for Park Storage, Telephone, Postage, Event Expense, Public Outreach, Printing, Small Tools & Bad Debt Expense. Will trend under or over budget depending upon time of year expenses are incurred.

Line 18 Admin Allocation: Admin Allocation shows the monthly transfer allocation of admin expenses to the Solid Waste Fund.

Line 17 Total Expenses: YTD total expenses is at 37% due to lower than lower than anticipated salary & benefits expenses as well as lower operations & maintenance costs.

Helendale CSD
Statement of Revenues and Expenses - Administration
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Tower Rent	\$ 10,757	\$ 51,948	\$ 144,838	36%	\$ 46,944
3 Property Taxes	17,706	19,934	99,458	20%	17,609
4 Solid Waste Billing & Fees	12,259	61,005	144,552	42%	56,267
5 Fees & Charges	1,705	8,563	13,400	64%	6,740
6 Investments	3,021	33,998	77,000	44%	32,638
7 Other Income	225	2,778	6,800	41%	2,333
8 Board Discretionary Revenue	(35,309)	(103,830)	(323,418)	32%	(95,672)
9 Total Revenues	10,364	74,397	162,630	46%	66,861
10 Expenses					
11 Salaries & Benefits					
12 Salaries	36,737	186,527	480,383	39%	165,556
13 Benefits	10,549	63,194	153,085	41%	57,637
14 Directors' Fees	3,978	22,179	90,500	25%	22,351
15 Total Salaries & Benefits	51,384	272,577	723,968	38%	245,543
16 Contractual Services	4,275	132,894	252,360	53%	135,634
17 Insurance	-	68,903	74,000	93%	60,805
18 Utilities	1,558	8,529	26,316	32%	4,551
19 Operations & Maintenance	108	385	5,200	7%	2,393
20 Permits & Fees	1,225	7,387	9,685	76%	9,352
21 Office & Other Expenses	2,362	26,368	54,122	49%	27,206
22 Admin Allocation	(81,918)	(409,592)	(983,022)	42%	(381,320)
23 Total Expenses	(21,006)	107,449	162,630	66%	104,164
24 Net Income (Loss)	\$ 31,370	\$ (33,052)	\$ -		\$ (37,304)

10-Administrative Revenues and Expenses

Line 2 Tower Rent: Tower Rent includes Radio Tower Site Rent. YTD is trending under budget at 36% due to timing of receipts.

Line 3 Property Taxes: This account includes Current & Prior Property Tax & Penalties. Timing of these receipts may cause this account to trend over/under budget.

Line 4 Solid Waste Billing & Fees: This includes Franchise Fees & Billing for Solid Waste. YTD is trending on budget at 42%.

Line 5 Fees & Charges: Fees & charges consists of Credit Card Processing Fees & Other Misc. Fees. YTD is trending at 64% of budget due to more Credit Card processing fee collections than anticipated.

Line 6 Investments: This account includes Investment Income & Unrealized Gain/Loss on investments. Year to date is trending over budget due to higher than budgeted interest rates.

Line 7 Other Income: Other Income includes Recycling Revenues & Other Misc. Income. YTD is at 38% due to increased recycling revenues.

Line 8 Board Discretionary Income: Board Discretionary Revenue includes the transfer of the following for Fund 05:

- Radio Tower Site Rent – \$10,757 (line 2)
 - Property Taxes - \$17,705 (line 3)
 - Solid Waste Franchise Fees - \$6,847 (part of line 4)
- Total: \$35,309

Line 12 Salaries: Salaries Expense includes Full Time, Part Time & Overtime labor. YTD is trending near budget at 39%.

Line 13 Benefits: Expense in this category include: Employee Group Insurance, Workers Compensation, Payroll Taxes, Employment Expense, Education & Training, and Employee Benefit & Morale. YTD is at 61% due to the timing of the worker's compensation policy renewal in July.

Line 14 Directors' Fees: This category includes Directors Fees as well as Directors Training, Seminars & Mileage expense. YTD is trending lower than budget due to timing of conferences.

Line 16 Contractual Services: Contract Services include Software Support, Legal Services, & Auditing/Accounting Services. YTD is at 53% due to \$27.8K in software support in July, timing of annual audit expenses, and higher than planned accounting services.

Line 17 Insurance: This account includes both General & Vehicle insurance expenses. YTD is at 93% due to policy renewals occurring in July.

Line 18 Utilities: Utilities includes telephone expenses & electricity. YTD is under budget due to lower than anticipated electric costs for Community Center Units B & C.

Line 19 Operations & Maintenance: O&M includes Vehicle Maintenance, Vehicle Fuel, Mileage & Travel Reimbursement, Uniforms, & Equipment Maintenance. Will trend under or over budget depending upon time of year expenses are incurred.

Line 20 Permits & Fees: YTD is at 76% due to timing of LAFCO Fees paid in July.

Line 21 Office & Other Expense: Office & Other Expenses include Board Meeting Supplies, Public Relations, Community Promotion, Bank Charges, Office Supplies, Postage and Dues & Subscription. YTD is at 49% due to CSDA membership renewal in October.

Helendale CSD
Statement of Revenues and Expenses - Mojave Land Trust
As of November 30, 2019
(Unaudited)

	Nov. 2019	YTD Actual	Budget	% Budget	PYTD
1 Operating Revenues					
2 Rental Income	\$ 500	\$ 2,500	\$ -	0%	\$ 2,100
3 Delinquent Fee	-	-	-	0%	-
4 Total Revenues	500	2,500	-	0%	2,100
5 Expenses					
6 Repairs & Maintenance	-	-	-	0%	-
7 Administrative Charges	150	750	-	0%	150
8 Total Expenses	150	750	-	0%	150
9 Net Income (Loss)	\$ 350	\$ 1,750	\$ -		\$ 1,950

50-Mojave Land Trust Revenues and Expenses

Note, this fund is not budgeted for since it is considered a "pass through" fund.

Line 2 Rental Income: Rental income consists of tenant rent; current rents are \$500 per month.

Line 3 Delinquent Fee: This line includes any late fees charged on rent payments.

Line 6 Repairs & Maintenance: Repairs & Maintenance expenses in Fund 50 are recorded against current maintenance deposits.

Line 7 Administrative Charges: Administrative charges includes a \$150 monthly fee recorded as a revenue in fund 10 Admin.



Helendale Community Services District

Date: December 19, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #6
Discussion and Possible Action Regarding Exercise of Two-Year Option for Auditing Services from Fedak & Brown, LLP

STAFF RECOMMENDATION:

Staff recommends that the Board exercise the two-year option with Fedak & Brown, LLP.

STAFF REPORT:

In 2017, the District circulated a request for proposals for auditing services. The District received four bid packets with three of the four meeting the District's qualifications. Fedak & Brown, LLP was the lowest bidder of the three.

The contract was awarded to Fedak & Brown, LLP for the period of 2017 through 2019. The 2019 Fiscal Year audit was recently completed and presented to the Board. This action formally concludes their contracted services with the Board, however, the District has the ability to exercise a two-year option with Fedak & Brown, LLP to complete the 2020 and the 2021 audits.

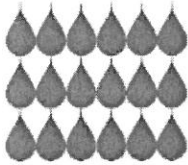
Based upon the positive experience Staff and Management have had with Fedak & Brown, LLP it is recommended that the Board consider the exercise of this option. Management has discussed the option with Fedak & Brown, LLP and they are willing continue to provide audit services at the pleasure of the Board. The original quote included an amount of \$23,490 for 2020 year audit and \$23,950 for 2021 year audit. The original rates proposed an annual increase based upon the projected consumer price index escalation and increasing prevailing wage rates for the audit staff.

If the Board prefers, Staff can circulate a new RFP for audit services in lieu of exercising the two-year option. If this is the direction of the Board, Staff will immediately begin preparing and circulating an RFP.

FISCAL IMPACT: \$23,490 for 2020 audit and \$23,950 for the 2021 audit.

POSSIBLE MOTION: Motion to exercise the two-year option for auditing services from Fedak & Brown, LLP

ATTACHMENTS: Original proposal letter dated May 5, 2017
Minutes for Item #7 on June 15, 2017, authorizing award of contract for 2017-2019



Charles Z. Fedak, CPA, MBA
Christopher J. Brown, CPA, CGMA
Jonathan P. Abadesco, CPA

Fedak & Brown LLP
Certified Public Accountants

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6081 Orange Avenue
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(657) 214-2307
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May 5, 2017

Ms. Kimberly Cox, General Manager
Helendale Community Services District
26540 Vista Road, Suite B
P.O. Box 359
Helendale, California 92342

Re: Request for Proposal for Professional Auditing Services

Dear Ms. Cox:

Based on our understanding of the Helendale Community Services District (District) requirements, our fee for audit services at our discounted rates for the fiscal year ending June 30, 2017 will be \$22,200. This fee is based on our understanding of the District's audit requirements.

Assuming there is no substantial change in the District's activities and operations, our fee for audit services for the year ending June 30, 2018 and 2019 and optional fiscal years ending June 30, 2020 and 2021 will be \$22,625, \$23,055, \$23,490, and \$23,950, respectively.

The total all-inclusive maximum price for the fiscal years ending June 30, 2017 through 2019, and optional fiscal years ending June 30, 2020 and 2021, is itemized in the attached Exhibits.

Our not-to-exceed fee proposal is contingent upon our understanding of your requirements and the assistance we require as noted in our original audit technical proposal.

Additional services not included in this proposal will be based on our discounted billing rates based on the level of experience required. We would execute a separate contract for these services, if they are requested by the District.

I am authorized to make representations for Fedak & Brown LLP and am duly authorized to sign a contract with the District.

Christopher J. Brown, CPA CGMA

May 5, 2017

Date

President Clark closed the public hearing at 7:39 pm.

Action: Director Haas made the motion to approve Resolution 2017-11; A Resolution of the Board of Directors of the Helendale Community Services District Increasing Its Water Service Charges, Director Schneider seconded the motion, the motion was approved by the following 5 yes – 0 no vote: Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes.

Discussion Items

6. Discussion and Possible Action Regarding Approval of a Contract with the Mattress Recycling Council, Inc. for the Landfill Diversion and Recycling of Mattresses and Box Springs from the Helendale Community

Action: A motion was made by Director Smith to approve a contract with the Mattress Recycling Council, Inc. for the landfill diversion and recycling of mattresses and box springs for the Helendale Community, and direct Staff to complete the contract business terms. Director Spiller seconded the motion, the motion was approved by the following 5 yes – 0 no vote: Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes.

7. Discussion and Possible Action Regarding Approval of Entering into a Professional Services Agreement with Fedak and Brown for Audit Services for Fiscal Years 2017 Through 2019

Action: Director Schneider made the motion to enter into a professional services agreement with Fedak and Brown for audit services for fiscal years 2017 through 2019, Director Spiller seconded the motion, the motion was approved by the following 5 yes – 0 no vote: Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes.

8. Discussion and Possible Action Regarding Approving an Increase in the Contract with Mike Keith and Associates to Include ADA Compliant Sidewalks between Handicap Parking Area and Picnic Shelters.

Action: Director Spiller made the motion to approve an increase in the contract with Mike Keith and Associates to include ADA compliant sidewalks between handicap parking area and the picnic shelters for an amount not to exceed \$29,118 or lesser amount. Director Smith seconded the motion, the motion was approved by the following 5 yes – 0 no vote: Director Schneider – Yes; Director Haas – Yes; President Clark – Yes; Vice President Smith – Yes, Director Spiller – Yes.

Other Business

9. Requested items for next or future agenda items (Directors and Staff Only)
None

10. Adjournment

Action: President Ron Clark adjourned the meeting at 8:05 pm.

Submitted by:

Approved By:

Ron Clark, President

Tim Smith, Vice-President

The Board actions represent decisions of the Helendale Community Services District Board of Directors. A digital voice recording and copy of the PowerPoint presentation are available upon request at the Helendale CSD office.



Helendale Community Services District

Date: December 19, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #7
Discussion and Possible Action Regarding Increase in Contract Professional Services Provided by Platinum Consulting

STAFF RECOMMENDATION:

Staff recommends that the Board increase contract for professional services as outlined in the staff report.

STAFF REPORT:

On May 16, 2019, the District engaged in a professional services agreement with Platinum Consulting to provide monthly accounting support services for an annual amount of \$60,000 beginning July 1, 2019. The purpose of this agenda item is to outline circumstances that require an increase at this time.

There have been three specific areas that require an increase in the contract amount by \$22,106. This includes miscellaneous consulting of \$2,600 relating primarily to year-end closing issues that had to be completed for the auditors to begin their work. Secondly, Management, Legal Counsel and the Consultant have been working with the Public Employees Retirement Systems (PERS) to resolve reporting issues that date back to the beginning of the District's contract in 2008. Currently, \$1050 has been spent towards this issue with an anticipated \$8,500 in future expenses to fully resolve the issue. Lastly, the District recently implemented in-house payroll utilizing a module of the Tyler software solution that had been purchased years ago and not yet implemented. This implementation required support from the consultant to ensure that the pay codes were allocating correctly. This included employee and employer taxes, benefit coverage and the like. Parallel payroll was run eight payrolls until everything was matching with the former ADP payroll allocations. The consultant assisted Staff in setting up tax accounts into which the District would directly deposit employee taxes. In addition, the District will create W-2's at the end of the year for employees rather than the former company who provided these services. To date \$6,956.34 has been spent on payroll implementation and it is anticipated that an additional \$3000 will be required over the course of the year.

In summary, Staff is requesting an increase in the Professional Services contract from \$60,000 to \$80,606.34 for a total increase of \$22,106.34 reflecting a 34% increase in the original proposal based upon District needs, new payroll implementation and issues related to transition of services.

FISCAL IMPACT: Increase in contract services of \$22,106.34 for accounting support services.

POSSIBLE MOTION: Motion to approve increase in contract support services.

ATTACHMENTS: Spreadsheet outlining cost allocation of services

Helendale Community Services District

Actual Expenses through Nov. 19 and Projected through Year End

Projected as of 11.30.19

Overage \$ 22,106

	\$ Amount	July 2019	Aug 2019	Sept 2019	Oct 2019	Nov 2019	Future Projections	TOTAL	
1	Preparation of Budget	\$ 15,000					\$ 15,000.00	\$ 15,000.00	100.0%
2	Monthly Closing Assistance	\$ 14,250					\$ 9,609.00	\$ 14,250.00	100.0%
3	Year End Close	\$ 21,750	\$ 1,791.25	\$ 14,231.01	\$ 1,080.00	\$ 1,469.75	\$ 2,091.25	\$ 9,609.00	100.0%
4	District Training & Other Support	\$ 7,500	\$ -	\$ -	\$ 2,605.00	\$ 635.00	\$ -	\$ 2,487.74	100.0%
5	Miscellaneous Consulting	\$ 1,500	\$ 1,361.25	\$ 1,238.75	\$ -	\$ -	\$ -	\$ 7,500.00	100.0%
6	PERS issues			\$ 612.50	\$ 175.00	\$ -	\$ 262.50	\$ -	173.3%
7	Payroll implementation	\$ 60,000	\$ 3,152.50	\$ 15,469.76	\$ 5,828.75	\$ 7,704.84	\$ 2,353.75	\$ 46,096.74	N/A
								\$ 9,956.34	134.3%



Helendale Community Services District

Date: December 19, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #8
Discussion and Possible Action Regarding Hosting a Dinner Meeting for the Association of San Bernardino County Special Districts (ASBCSD) in 2020

STAFF RECOMMENDATION:

Staff seeks direction from the Board.

STAFF REPORT:

At that last meeting the Board elected to host the June meeting for the Association of San Bernardino County Special Districts. We were informed that the only two meetings available for this calendar year are July and August. Does the Board wish to host one of these months or would you prefer to sign up for a month in calendar year 2021?

FISCAL IMPACT: Minimal Staff costs



Helendale Community Services District

Date: December 19, 2019
TO: Board of Directors
FROM: Kimberly Cox, General Manager
SUBJECT: Agenda item #9
Discussion and Possible Action Regarding Annual Election of Officers for the Board of Directors

STAFF RECOMMENDATION:

This matter is at the discretion of the Board.

STAFF REPORT:

The Election of Officers occurs at the first meeting of December in non-election years and within 45 days of an election in election years. The Board process for the annual selection of officers is outlined in Resolution 2018-05: *A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for Its Relations Among Directors and With Staff.*

Election of officers is an administrative event discussed by the Board of Directors on an annual basis. The Board is to select the presiding officer and the two additional officers each year. The Board currently has three officers: President, Vice-President and Secretary.

The current Board officers are:

President – Ron Clark
Vice-President – Tim Smith
Secretary – Sandy Haas

FISCAL IMPACT:

None

POSSIBLE MOTION: At the Board's discretion

ATTACHMENTS: Resolution 2018-05: A Resolution of the Board of Directors of the Helendale Community Services District Establishing Policies for Its Relations Among Directors and With Staff



RESOLUTION NO. 2018-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HELENDALE COMMUNITY SERVICES DISTRICT ESTABLISHING POLICIES FOR ITS RELATIONS AMONG DIRECTORS AND WITH STAFF

WHEREAS, the Board of Directors of the Helendale Community Services District finds as follows:

A. The Helendale Community Services District (“the District”) is a community services district organized and operating pursuant to California Government Code Section 61000 et seq.

B. The District is governed by an elected Board of Directors (“Board”) whose meetings are subject to the requirements of the Ralph M. Brown Act, California Government Code Section 54950 et seq. (“the Brown Act”), pursuant to California Government Code Section 61044.

C. The Board adopted Ordinance No. 2018-03 on February 15, 2018, establishing revised guidelines for the conduct of its public meetings and activities and imposing requirements upon itself which allow greater access to its meetings than prescribed by the Brown Act.

D. The purpose of this Resolution is to supplement Ordinance No. 2018-03 and to ensure that the Board’s deliberations are conducted honorably and that its activities are performed in a manner that reflects a dedication to the highest standards of integrity so as to continue to earn the trust and confidence of the public served by the District.

THEREFORE, THE BOARD OF DIRECTORS of the Helendale Community Services District does hereby adopt and ordain as follows:

Section 1. **RELATIONS BETWEEN DIRECTORS.**

1.1. **Duties.** The Board shall govern the District. The Board shall establish policies for the operation of the District. The Board shall provide for the implementation of those policies which is the responsibility of the District’s General Manager. All members of the Board shall exercise their independent judgment on behalf of the entire District, including the residents, property owners, and the public as a whole to further the purposes and intent of the District.

1.2. **Officers.**

1.2.1. Within 45 days after each general district or unopposed election, the Board shall meet and elect the officers of the Board. In a year in which there is no general

election the Board shall hold an election at the first meeting in December.

1.2.2 The officers of the Board are the President, Vice-President and Secretary. The President shall preside over meetings of the Board and the Vice-President shall serve in the President's absence or inability to serve.

1.2.3 No other special duties, actions, tasks, or privileges are bestowed to the above positions. The President and Vice President (or any member of the Board) will not take unilateral actions binding the rest of the Board, without prior approval or authorization of the Board - including the issuance of letters, reports, documents or contracts, implied or otherwise, to outside parties. No Board Officer (or Member) shall appear as the Board Representative at any private or public functions.

1.2.4 The Board may create additional offices and elect members to those offices, provided no members of the Board shall hold more than one office.

1.3. **Parliamentary Procedure.**

1.3.1. A majority of the total membership of the Board shall constitute a quorum for the transaction of District business. Except as otherwise specifically provided by law, a majority of the total membership of the Board is required for the Board to take action. The Board shall act only by ordinance, resolution, or motion. The minutes of the Board shall record the yes and no votes taken by the members of the Board for the passage of all ordinances, resolutions, or motions. The Board shall keep a record of all its actions, including financial transactions.

1.3.2. Meetings of the Board shall be subject to the Brown Act and Ordinance No. 2018-03 (as may be amended from time to time). Robert's Rules of Order shall provide general guidance for the conduct of the Board's business, except where otherwise provided by law, ordinance, resolution, or motion of the District, or otherwise inconsistent with the intent of the Board. The Board President (or committee chair) will rule on all matters of procedure, with the advice of Legal Counsel.

1.4. **Personal Conduct.** The business of the District is a team effort. All Board members commit to working together in a collaborative manner, assisting each other in conducting the affairs of the District. Directors commit to conducting themselves with courtesy to each other, to staff, and to members of the audience present at Board meetings. Directors shall defer to the President concerning the conduct of Board meetings, but shall be free to question and discuss items on the agenda. In turn, the Board President shall not exercise the privileges of the office in such a manner as to unfairly advance his or her own agenda / personal opinions or unduly prejudice the positions of other Board members. When responding to requests and concerns from the public and other District customers, Board members commit to be courteous, responding to individuals in a positive manner and routing their questions through appropriate channels and to responsible management personnel. Board members commit to develop a working relationship with the District's General Manager wherein current issues, concerns, and District projects can be discussed comfortably and openly. Board members should function as a part of the whole. All issues must be brought to the attention of the entire Board, rather than to individual members selectively; unilateral actions by a Board Officer or any Director, binding the entire Board, must be avoided and shall be subject to possible Board discipline. Board members are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

1.5. **Communication of Views and Positions.** The Board is committed to providing excellence in legislative leadership necessary to furnish the highest quality of government services to the public and to the District's customers. In order to achieve this goal, cooperative interaction between and among Board members is encouraged. As such, the following rules shall be observed:

1.5.1. The dignity, style, values, and opinions of each Board member shall be respected. Responsiveness and attentive listening in communication is encouraged.

1.5.2. The needs of the public and the District's customers should be the priority of the Board.

1.5.3. Board members commit themselves to emphasizing the positive, avoiding double talk, hidden agendas and negative forms of interaction.

1.5.4. Board members commit themselves to focusing on issues and not personalities. The presentation of the opinions of others should be encouraged. Cliques and voting blocks based on personalities rather than issues will be avoided.

1.5.5. Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions in a constructive and forthright manner. However, once the Board has taken action, individual Board members commit to support said action and not create barriers to the implementation thereof or pursue defeated issues independently.

1.5.6. The Presiding Director will not undermine the Board Agenda; further, he/she will not make opening statements on an agenda item in an attempt to shape or frame the debate. The Director initiating the Agenda item will be allowed to speak first and make a motion, to be seconded and opened for discussion. All Board discussion will proceed with no time frame attached. All Board comments will start to the immediate right of the Director forming the motion and will proceed orderly, Director to Director, until comment ceases, at which time a call will be made to cast votes.

1.6. **Board Discipline.** In the exercise of its discretion, the Board, by affirmative vote of four (4) of its members, may censure any of its members for a period of time deemed appropriate by said supermajority of the Board. Unless otherwise prohibited by law, the maximum penalty that may be imposed upon the censured member by said supermajority of the Board during the period of such censure shall be the following:

1.6.1. The suspension of all spending of District funds by the censured Board member and of all reimbursement from District funds of any costs incurred by the censured Board member, unless otherwise allowed by the Board.

1.6.2. The removal of the censured Board member from service as an officer of the Board, and/or on all committees and other assignments on behalf of the District and/or the Board, unless subsequently authorized by the Board.

1.6.3. The withholding of all compensation by the District to the censured Board member except as otherwise allowed for attending meetings of the Board and other meetings subsequently authorized by the Board.

Section 2. **RELATIONS WITH STAFF.**

2.1 **General Manager.**

2.1.1. The Board shall appoint a General Manager for the District. The General Manager shall serve at the pleasure of the Board. The Board shall set the compensation for the General Manager. The Board may require that the General Manager be bonded. The District shall pay the cost of the bonds.

2.1.2. The General Manager shall be responsible for all of the following:

- a. The implementation of the policies established by the Board for the operation of the District;
- b. The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board;
- c. The supervision of the District's facilities and services; and
- d. The supervision of the District's finances.

2.1.3 The General Manager is the Board's primary link to operational achievement and conduct of the District, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the General Manager.

2.1.4 No individual Board Member, including any Officer, shall dictate policies to the General Manager, interfere with or disrupt his/her work (or the work of any District staff or contract employee). Board Member visit/discussion hours or appointment schedules designated by the General Manager shall be strictly adhered to.

2.2. **Treasurer.** The Board shall appoint a District Treasurer for the District. The Board may appoint the same person to be the General Manager and the District Treasurer. The District Treasurer, shall serve at the pleasure of the Board. The Board shall set the compensation of the District Treasurer. The Board shall require the District Treasurer, to be bonded. The District shall pay the cost of the bonds.

Section 3. **ANNUAL REVIEW.**

Each year the Board shall review this Resolution to determine its effectiveness and the necessity for its continued operation. The District's General Manager shall report to the Board on the operation of this Resolution, and make any recommendations deemed appropriate, including proposals to amend the Resolution. Upon conclusion of its review, the Board may take any action it deems appropriate concerning this Resolution. Nothing herein shall preclude the Board from taking action on the Resolution at times other than upon conclusion of the annual review.

Section 4. **SEVERABILITY.**

If any provision of this Resolution, or the application thereof to any person or circumstances, is held invalid, such invalidity shall not affect other provisions or applications of this Resolution, which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are declared to be severable.

Section 5. **EFFECTIVE DATE.**

The provisions of this Resolution shall supersede and rescind Resolution No. 2011-07 adopted by the District's Board of Directors on July 21, 2016, and shall take effect immediately upon adoption.

Approved and Adopted this 15th day of February, 2018.

AYES:

NOES:

ABSTAIN:

ABSENT:

Ron Clark, President, Board of Directors

ATTEST:

Sandy Haas, Secretary, Board of Directors